

Message Text

LIMITED OFFICIAL USE

PAGE 01 VIENTI 09133 181110Z

17

ACTION EA-10

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-07 FRB-01

INR-05 NSAE-00 RSC-01 TRSE-00 XMB-02 OPIC-03 SP-02

CIEP-01 LAB-04 SIL-01 OMB-01 AGR-05 EUR-12 /061 W

----- 098026

P R 181038Z DEC 74

FM AMEMBASSY VIENTIANE

TO SECSTATE WASHDC PRIORITY 1845

INFO AMEMBASSY BANGKOK

LIMITED OFFICIAL USE VIENTIANE 9133

E.O. 11652: N/A

TAGS: ECON, LA

SUBJECT: ECONOMIC WEEKLY SITUATION REPORT (DEC 11-17)

1. TOTAL FOREIGN EXCHANGE SOLD THROUGH BANKS DURING WEEK ENDING DEC 13 WAS \$529,000, COMPARED WITH PREVIOUS WEEKLY AVERAGE SINCE INITIATION OF FX CONTROLS OF \$508,000. OF FX SOLD, 52 PERCENT WAS FOR PETROLEUM PRODUCTS, 5 PERCENT FOR COTTON THREAD AND 4 PERCENT FOR PUMPS AND ENGINES FOR AGRICULTURAL DEVELOPMENT ORGANIZATION.

2. THE FREE MARKET EXCHANGE RATE ROSE marginally DURING PAST WEEK. ON DEC 18 MERCHANTS AND OTHER NX DEALERS WERE BUYING

DOLLARS FOR APPROXIMATELY 1,250 KIP PER DOLLAR AND SELLING FOR 1,260 KIP PER DOLLAR, UP FROM 1,240 BUYING AND 1,250 SELLING DEC 10. BAHT WAS BEING BOUGHT FOR 6,180 KIP PER 100 BAHT, SELLING 6,230.

3. USAID COST-OF-LIVING INDEX FOR VIENTIANE DECLINED MODERATELY DURING PAST WEEK, REFLECTING PRIMARILY DECLINE IN PRICES OF WHITE RICE, BEEF AND FISH. USAID INDEX ON DEC 16 SHOWS FOLLOWING CHANGES:

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 VIENTI 09133 181110Z

PERCENTAGE INCREASE SINCE

DEC 11 JULY 17 END 73

GENERAL INDEX (-1.6) 22.2 63.4

RICE INDEX (-0.5) 15.1 59.3

NON-RICE INDEX (-1.8) 24.1 64.5

4. RECENT DEVELOPMENTS IN LAO EFFORTS TO OBTAIN FOREIGN ASSISTANCE INCLUDE:

A. A CHECK FOR APPROXIMATELY \$245,000 (EQUIVALENT OF 5 MILLION BAHT) WAS PRESENTED TO VICE PRIME MINISTER AND MINISTER OF FOREIGN AFFAIRS PHOUMI VONGVICHIT BY THAI AMBASSADOR TO LAOS ON DEC 17. THIS FOREIGN EXCHANGE GRANT FROM THAI GOVERNMENT IS FIRST THAI ASSISTANCE RECEIVED BY LAOS FOLLOWING LAO-THAI AID DISCUSSIONS IN EARLY NOV (SEE VIENTIANE 8404).

B. THE ECONOMIC AID-SEEKING MISSION HEADED BY MINISTER OF DEFENSE SISOUK NO CHAMPASSAK ARRIVED IN TOKYO ON OR ABOUT DEC 11 FOR DISCUSSIONS WITH OFFICIALS OF JAPANESE GOVERNMENT. LOCAL PAPERS REPORTED THAT JAPAN IS CONSIDERING EXTENDING ASSISTANCE OF 800 MILLION YEN (\$3 MILLION) TO LAOS THIS FISCAL YEAR.

C. THE ECONOMIC AID SEEKING MISSION HEADED BY MINISTER OF NATIONAL ECONOMY AND PLAN SOTH PHETRASY ARRIVED IN BUDAPEST DEC 15 FOR DISCUSSIONS WITH OFFICIALS OF HUNGARIAN GOVERNMENT. NO DETAILS OF THE OUTCOME OF THIS OR PRIOR VISIT TO EAST GERMANY AS YET AVAILABLE.

5. AT WEEKLY MEETING ON DEC 10 OF SPECIAL NATIONAL COMMISSION ON WELFARE OF THE PEOPLE, UNDER CHAIRMANSHIP OF MINISTER OF INTERIOR PHENG PHONGSAVAN, COMMISSION DISCUSSED CONTINUING DIFFICULTIES AT ELECTRICITE DU LAOS (EDL). LOCAL NEWSPAPERS HAVE REPORTED THAT COMMISSION HAS SET UP SPECIAL SUB-COMMITTEE TO INVESTIGATE PROBLEMS AT EDL, WITH COMMITTEE HEADED BY HOUMPHENG PATHOUMVAN, DIRGEN AT MINISTRY OF SOCIAL WELFARE.

6. DECONTROL FOLLOWING 12/18/75.
WHITEHOUSE

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ECONOMIC CONDITIONS, REPORTS
Control Number: n/a
Copy: SINGLE
Draft Date: 18 DEC 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: ElyME
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974VIENTI09133
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740367-1186
From: VIENTIANE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19741224/aaaaaufk.tel
Line Count: 98
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: ElyME
Review Comment: n/a
Review Content Flags:
Review Date: 21 MAY 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <21 MAY 2002 by elyme>; APPROVED <25 MAR 2003 by ElyME>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: ECONOMIC WEEKLY SITUATION REPORT (DEC 11-17)
TAGS: ECON, LA
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005